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June 12, 2024

Elizabeth Abdnour, Esquire
Abdnour Weiker
500 E. Michigan Avenue
Suite 130
Lansing, MI 48912

RE: Jane Doe v. University of Virginia, et al.

Dear Ms. Abdnour:

The following is our analysis of the loss in earnings relative to Jane Doe. Ms. Doe suffered injuries relating to sexual harassment and sexual assault while a student at the University of Virginia.

Documents Reviewed

- Amended Complaint
- Resume of Jane Doe
- Transcript from the University of Virginia
- 2023 W-2 form
- Various Publications/Source Documents (as cited)

Background

Jane Doe was born on Date of birth. She is presently 26.3 years of age, with an average statistical life expectancy of an additional 54.2 years (Life Tables, 2021).

Jane Doe
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Ms. Doe transferred to the University of Virginia for the fall 2018 semester. She graduated with a Bachelor's of Arts degree (with distinction) in Plaintiff's Majors [REDACTED] in May 2020.

Absent the injuries, Ms. Doe intended to attend law school beginning in the fall 2020 semester to pursue a career as an Attorney.

Ms. Doe was last employed as a Paralegal from June 2023 to October 2023. She earned \$10,000 in this employment.

Methodology

Earning Capacity Absent Injuries

Given 1) Ms. Doe's background/experience and 2) economic principles, we have assumed that absent the injuries, she would have enrolled at law school in the Fall 2020 semester and graduated by May 2023.

We have then assumed that Ms. Doe would have passed the bar exam and entered the labor market as an Attorney by age 26.

Entry-level earnings as an Attorney have been estimated to be \$83,897 annually based on data from the Bureau of Labor Statistics (Occupational Employment and Wage Statistics).

We have assumed a gradual increase to average earnings for Attorneys of \$176,470 annually by age 40 (14 years: www.bls.gov & Current Population Reports).

Earning Capacity Given Injuries

We have presented two estimates of earning capacity given Ms. Doe's injuries (mitigation). In the first estimate, we have estimated earnings given the injuries based on entry-level earnings or Paralegals of \$43,940 annually (www.bls.gov).

This figure has been increased to average earnings for Paralegals of \$66,630 annually by age 37 (11 years: www.bls.gov & Current Population Reports).

In the second estimate, we have assumed that Ms. Doe will eventually enroll at law school by the fall 2025 semester, which reflects a five-year delay.

Jane Doe
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Accordingly, we have assumed that she will enter the labor market as an Attorney by age 31 at entry-level earnings of \$83,897. We have further assumed that by age 45 (14 years), earnings will gradually increase to \$176,470 annually. As of that time, we have considered that Ms. Doe will achieve full-mitigation and the loss in earning capacity will cease.

Duration of Estimates

Earning capacity is estimated to the date that Ms. Doe will be age 67, which is normal retirement age for individuals born since 1960.

This retirement age, as a measure of earning capacity, is supported by both 1) the fact that there is no mandatory retirement age in the United States and 2) that labor force participation for the older population has been increasing (Older Workers: Labor Force Trends and Career Options: www.bls.gov).

Finally, normal retirement is further supported by research from the Center for Retirement Research, the Social Security Administration, and the Journal of Forensic Economics relative to labor force participation and retirement trends.

Employer-Provided Benefits

The value of employer-provided benefits is a component of an individual's earning capacity. Based on data from the Bureau of Labor Statistics (Employer Costs for Employee Compensation), we have estimated the loss in retirement contributions to be 5% of earnings.

Future Wage Growth

Based on data from 1) the Bureau of Labor Statistics and 2) the Congressional Budget Office (Budget/Economic Outlook), we have estimated future wage growth to be 3.0% annually.

Discount Rate

The present values of future earnings have been estimated based on a discount rate of 4.0%. This discount rate considers a risk-free rate of return and reflects both historical data and recent increases in short-term treasury securities (www.treas.gov). This discount rate reflects a reasonable rate of return for risk-free investment.

Jane Doe

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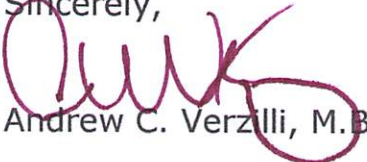
Summary of Opinions

Based upon the methodology discussed and the information provided to date, we have estimated the present value of the loss in earning capacity relative to Jane Doe to be in the range of \$847,308 to \$3,276,383.

All of the opinions are presented within a reasonable degree of economic certainty. We reserve the right to revise the estimates if additional information is provided that may impact the data and assumptions utilized.

The following pages contain detailed summary tables of the estimates. If you have any questions, please contact us.

Sincerely,



Andrew C. Verzilli, M.B.A.

Jane Doe

Table 1 : Loss in Earning Capacity

Pre-Injury : Attorney
Pot-Injury : Paralegal

Present Value : Earnings Absent Injury	\$	5,155,017	[\$176,470 Annually by age 40]
Less Post-Injury	\$	(2,034,652)	[\$66,460 Annually by age 37]
Loss in Employer-Retirement Benefits	\$	<u>156,018</u>	[5% of Earnings]
Future Loss in Earning Capacity	\$	<u><u>3,276,383</u></u>	

Jane Doe

Table 2 : Loss in Earning Capacity

Pre-Injury : Attorney

Post-Injury : Attorney : 5 Year Delay

Present Value : Earnings Absent Injury	\$	2,564,458	[\$176,470 Annually by age 40 : to Age 45]
Less Post-Injury	\$	(1,757,500)	[Full Mitigation by age 45]
Loss in Employer-Retirement Benefits	\$	<u>40,348</u>	[5% of Earnings]
Future Loss in Earning Capacity	\$	<u><u>847,306</u></u>	

Jane Doe

Appendix Table : Loss in Earning Capacity : Preent Value Terms

Age	Pre-Injury : Attorney		Post-Injury : Paralegal		Post-Injury: Attorney : 5 Year Delay
26.00	\$	80,670	\$	42,250	\$ -
27.00	\$	89,655	\$	44,664	\$ -
28.00	\$	97,829	\$	46,830	\$ -
29.00	\$	105,241	\$	48,763	\$ -
30.00	\$	111,939	\$	50,479	\$ -
31.00	\$	117,966	\$	51,990	\$ 76,866
32.00	\$	123,364	\$	53,310	\$ 85,426
33.00	\$	128,172	\$	54,452	\$ 93,215
34.00	\$	132,427	\$	55,427	\$ 100,278
35.00	\$	136,166	\$	56,247	\$ 106,660
36.00	\$	139,421	\$	56,921	\$ 112,403
37.00	\$	142,225	\$	57,461	\$ 117,546
38.00	\$	144,606	\$	56,908	\$ 122,127
39.00	\$	146,594	\$	56,361	\$ 126,182
40.00	\$	148,215	\$	55,819	\$ 129,744
41.00	\$	146,790	\$	55,282	\$ 132,846
42.00	\$	145,378	\$	54,751	\$ 135,517
43.00	\$	143,980	\$	54,224	\$ 137,786
44.00	\$	142,596	\$	53,703	\$ 139,680
45.00	\$	141,225	\$	53,186	\$ 141,225 [full-mitigation]
46.00	\$	139,867	\$	52,675	
47.00	\$	138,522	\$	52,169	
48.00	\$	137,190	\$	51,667	
49.00	\$	135,871	\$	51,170	
50.00	\$	134,565	\$	50,678	
51.00	\$	133,271	\$	50,191	
52.00	\$	131,989	\$	49,708	
53.00	\$	130,720	\$	49,230	
54.00	\$	129,463	\$	48,757	
55.00	\$	128,218	\$	48,288	
56.00	\$	126,985	\$	47,824	
57.00	\$	125,764	\$	47,364	
58.00	\$	124,555	\$	46,908	
59.00	\$	123,358	\$	46,457	
60.00	\$	122,171	\$	46,011	
61.00	\$	120,997	\$	45,568	
62.00	\$	119,833	\$	45,130	
63.00	\$	118,681	\$	44,696	
64.00	\$	117,540	\$	44,266	
65.00	\$	116,410	\$	43,841	
66.00	\$	34,587	\$	13,026	
Lifetime Totals	\$	5,155,017	\$	2,034,652	\$ 1,757,500